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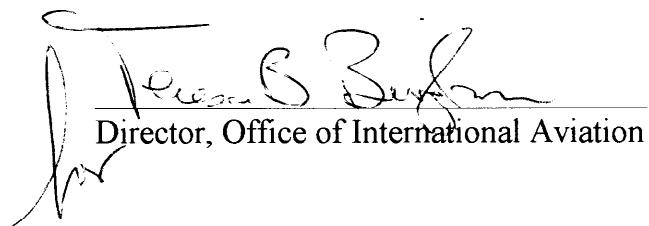


U.S. Department of
Transportation
Office of the Secretary
of Transportation

DEPARTMENT ACTION ON APPLICATION IN DOCKET OST 2001-8875 - 4
(filed February 6, 2001)

Approved under assigned authority (14 CFR §385.13).

Date of Action: March 6, 2001



Director, Office of International Aviation

This action is subject to the conditions attached. Persons entitled to petition the Department for review of this action under the Department's regulations, 14 CFR §385.30, should file their petitions within ten days of the date of this action. This action is effective immediately, and the filing of a petition for review will not alter its effectiveness.

**Application of United Air Lines, Inc., for a Statement of Authorization to display "AC" designator code of
Air Canada on flights operated by United
(Los Angeles-Sydney) (Blind-Sector) (Docket OST-2001-8875)
(filed February 6, 2001)**

The authority granted is subject to the following conditions:

- (a) The statement of authorization will remain in effect only as long as (i) United and Air Canada continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement/alliance agreement providing for the code-share operations remains in effect.
- (b) United and/or Air Canada must promptly notify the Department (Office of International Aviation) if the code-share and/or alliance agreement providing for the code-share operations is no longer effective or if the carriers decide to cease operating all or a portion of the approved code-share services. Such notices should be filed in Docket OST-2001-8875.¹
- (c) All operations conducted under this authorization must comply with the terms, conditions, and limitations of Order 97-9-2 (United Air Lines, Inc., and Air Canada antitrust immunity order), and any subsequent order(s) of the Department regarding the alliance;
- (d) The code-sharing operations conducted under this authority must comply with 14 C.F.R. Part 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. Notwithstanding any provision in the contract between the carriers, our approval here is expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere; that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept responsibility for the entirety of the code-share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected;
- (e) The authority granted here is specifically conditioned so neither United nor Air Canada shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions; and
- (f) We may amend, modify, or revoke the authority granted at any time without hearing at our discretion.

An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports/reports_aviation.asp

¹ We expect this notification to be received within 10 days of such non-effectiveness or of such decision.